FOREIGN CROPS and MARKETS

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LATE FOREIGN DEVELOPMENTS

ARGENTINA: First official estimate of grain acreages seeded for 1942-43, with last year's figures given in parentheses for comparison: Wheat 15,814,000 acres (18,038,000), flaxseed 6,091,000 (6,746,000), oats 3,319,000 (3,519,000), barley 1,846,000 (1,972,000), and rye 2,412,000 (2,661,000).

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DENMARK: Pork production in June 1942 amounted to 15 million pounds, or about 50 percent of June 1941 production and about 25 percent of pre-war levels. Beef and veal production during June was 59 percent of that in May 1942. Egg collections, amounting to 8.6 million pounds, were about one-third of pre-war averages and 65 percent of June 1941 collections.

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G R A I N S

CANADIAN GRAIN HARVEST UNDER WAY . . .

Grain harvesting during the latter part of August was actively under way in most parts of Canada, according to information received from the Dominion Bureau of Statistics. In Manitoba the cutting of oats and barley was reported about half completed and wheat about 40 percent finished by August 25. In Saskatchewan the crop is somewhat further delayed, and it is expected that cutting of wheat will not be general in many districts before the first week in September. In Alberta harvesting activity was expected to be general by the end of August in southern areas and a little later in the northern districts. Early threshing returns in western Canada are said to indicate yields even better than expected.

Weather during the week ended August 25 was reported favorable on the whole, but light frosts were experienced at some points. Frosts are the chief threat to yields in the Prairie Provinces this season. Much of the crop is still reported to be green, especially in parts of the Red River Valley of Manitoba and the Regina and Swift Current districts of Saskatchewan. Sawflies and grasshoppers continue to show up at some points in all three Prairie Provinces. In British Columbia warm, dry weather is reported favorable to harvesting the grain crop, which is now nearly all cut. Good yields and high quality are indicated.

In eastern Canada, good harvesting weather has prevailed in the Maritime Provinces, and much of the grain crop is now cut and threshed. Weather conditions in Quebec are reported favorable, and good progress with harvesting is indicated. Good average yields of grain are expected in most districts. In Ontario threshing of grain is reported in full swing, with yields generally good. In the northern districts of the Province, the harvesting of an excellent crop of grain is reported under way.

Private estimates of Canadian grain crops continue very optimistic, with record yields generally indicated. Estimates of the wheat crop now range from 550 to 600 million bushels, as compared with 300 million harvested last year. For oats, estimates range from 450 to 500 million bushels or more, and barley, 175 to 225 million bushels, or practically double that of a year ago. A rye crop of 23 to 25 million bushels is also estimated, as compared with around 13 million bushels for 1941. Altogether, it is estimated that a Canadian grain crop of around 1,200 to 1,300 million bushels may be harvested this year if no serious frost damage occurs in the near future.

In addition to the current harvest, nearly 450 million bushels of old-crop grain were carried over in Canada this year. With commercial storage and elevator capacity estimated at around 600 million bushels and farm storage placed at 765 million, it is quite apparent that some storage problems, especially on many individual farms and in local areas,

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are likely to result. In view of the delivery quota of 280 million bushels of wheat for the Prairie Provinces, the principal storage difficulties seem likely to be on farms before the grain is marketed. In order to help alleviate this situation, various efforts are being made to provide lumber to build farm grain bins and to construct other temporary storage.

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IRAN HAS REDUCED WHEAT AND BARLEY CROPS . . .

Despite some increase in the wheat and barley areas this year in Iran, the harvest of both crops is below last year and the average of recent years, according to information received in the Office of Foreign Agricultural Relations. Unofficial estimates of the acreage seeded to wheat for harvest in 1942 total around 4,450,000 acres as against 4,200,000 acres a year ago. A crop outturn of some 51,400,000 bushels is indicated, compared with 62,000,000 bushels last year, and an average of nearly 73,000,000 bushels during the 5 years 1933-1937. Similarly for barley, the area was reported increased from 1,581,000 acres last year to 1,853,000 acres in 1942, while the harvest was reduced from 32,150,000 bushels in 1941 to 27,558,000 bushels this year. Lack of rainfall and high temperatures, especially in important producing sections during May, together with locust damage, are indicated to have adversely affected yields.

During the past season, when the wheat and barley harvests were reported better than the crop outturns this year, Iran imported around 2,700,000 bushels of wheat (year ended March 20, 1942), largely from India and Canada. The domestic trade in wheat and barley is a monopoly of the Ministry of Finance. As part of its activities, the Government is reported to have taken special measures to prevent hoarding. Shortages of bread, however, some of serious proportions, have already been reported for various parts of the country in recent months. The outlook for the coming season remains uncertain for the present in view of the lack of information about import possibilities and other factors in the situation.

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ARGENTINA BUILDING GRAIN STORAGE PITS . . .

In an effort to cope with the serious grain-storage problem in Argentina, experiments have recently been reported to have been made with granaries built in the ground. Such pits or "silos" are claimed to be a success, and further construction is now said to be officially encouraged by making special loans to farmers. The storage pit in service is said

to hold 500 tons (18,000 bushels) and is about 14 feet deep and 90 feet long, with sides strengthened by a mixture of soil and cement, and waterproofed with a coat of asphalt.

CUBAN RICE IMPORTS CONTINUE AT LOW LEVEL . . .

Rice imports into Cuba during July were the lowest in many months, amounting to only 8 million pounds as compared with the normal monthly import requirement of over 30 million pounds. Imports from the United States for the 7 months this year total 230,000,000 pounds in comparison with 235,757,000 pounds for the same period last year. It is of interest to note that Latin American countries have furnished 20 percent of the Cuban imports thus far this year as compared with 2 percent during the same months in 1941.

CUBA: Imports of rice, July 1942, with comparisons

Origin	July		January-July	
	1941	1942	1941	1942
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Orient	0	0	15,216	985
Dominican Republic	561	100	1,476	8,444
Ecuador	3,590	2,500	4,590	19,052
Mexico	0	0	0	19,931
Peru	0	0	0	5,854
Chile	0	2,780	0	8,077
United States	20,400	2,635	235,757	230,203
Total	24,551	8,015	257,039	292,546

American Embassy, Cuba.

MEXICAN RICE CROP PROSPECTS FAVORABLE . . .

An early estimate places the 1942 Mexican rice crop at about 5,900,000 bushels, which compares with the record harvest last year of 5,405,000 bushels. If the harvest this season turns out as large as is now indicated, Mexico should have ample rice for domestic requirements and have a surplus available for export. Rice, however, is one of the commodities on which exports are now prohibited. This measure was applied in April to stop speculation in rice, which had forced prices to an abnormally high level. It is uncertain when the Mexican Government will remove rice from the list of prohibited exports.

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V E G E T A B L E O I L S A N D O I L S E E D S

BRAZIL OFFERS ANOTHER VARIETY OF OILSEED . . .

Palm trees producing curua nuts are found in some sections of the lower Amazon Valley and at the mouth of the Xingu River. There are two varieties of this palm tree, curua-tinga and curua piranga; both contain kernels similar to those of the babassu and have about the same percentage and quality of oil, according to a report received from Para, Brazil. The fruit of the curua-tinga contains only one kernel, which is approximately 22 percent of the weight of the nut; while the fruit of the curua-piranga comprises a number of kernels, smaller in size, and accounting for about 20 percent of the weight of the nut.

These palms have not been exploited to any extent, and only a few hundred tons of kernels have been exported. It is estimated that about 30,000 short tons of curua nuts could be collected during the next year, and in much larger quantities as interest increases. As the price of babassu has improved during the past 2 years, curua nuts have advanced, and greater interest is shown in collecting them. Very few Brazilians have awakened to the possibilities of this industry, which is still largely undeveloped. Forests of curua have the advantage over babassu in being located along rivers, thus facilitating shipping, as collectors are able to deliver them to the shore of rivers without the cost of overland hauling.

It is also pointed out that the work of breaking the two varieties of curua nuts is greatly simplified, since it can be accomplished by means of motor-driven machinery. These machines, quite simple in construction, are built in Para and can turn out several tons of kernels a day.

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SESAME-SEED PRODUCTION BECOMES IMPORTANT IN NICARAGUA . . .

The National Bank of Nicaragua has substantially increased its loans for sesame-seed planting during the current season. Since cotton production was limited by the United States-Nicaraguan agreement, sesame was immediately decided upon as a substitute. It is expected that about 17,000 acres may be devoted to this crop, which should yield around 10,000,000 pounds of seed. Sesame seed is harvested from December to February. Since oilseed-crushing equipment is limited in Nicaragua, the bulk of sesame intended for export to the United States must be in the form of seed. This may create a shipping problem, in that priority is granted for oil but not for seed.

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COTTON - OTHER FIBERS

COTTON MILL ACTIVITY IN CANADA SLACKENS . . .

A shortage of skilled labor and the employment of a considerable number of inexperienced workers were the chief factors responsible for a decline in cotton consumption, for all purposes, in Canada to about 40,690 bales (of 500 pounds gross) in June 1942. This is considerably less than the 46,541 bales consumed in May and the record figure of 52,755 for March 1942. (See Foreign Crops and Markets, March 2, 1942, for earlier figures.) Complete or partial observance of two local holidays in June and some seasonal recession also were factors influencing the decline.

Stocks of cotton goods for civilian use now in the hands of wholesalers and retailers, together with imports and the 25 to 30 percent of current mill output, are expected to be sufficient to fill civilian demand until the spring of 1943. Rationing may be necessary after that time unless a larger percentage of civilian purchasing power is diverted to investment in Government securities.

American cotton continued to regain its former importance in the Canadian market, as imports amounted to 53,000 bales in June against 10,000 of Brazilian, representing 80 percent and 15 percent, respectively, of the total of 66,000 bales imported for the month. The cumulative totals for the 11 months ended June 30, 1942, were 254,000 bales from the United States, 264,000 from Brazil, 21,000 from Egypt, and 16,000 from Peru, out of a grand total of 564,000 bales. New purchases of American have been negligible since the United States cotton export program was discontinued on July 22. Most of the outstanding contracts for South American growths have been canceled because of lack of shipping facilities, and new purchases are limited largely to the small stocks still available in United States ports. Exceptionally heavy purchases were made in the United States prior to the termination of the export program, and deliveries will continue in heavy volume for several months.

The problem of inadequate storage space has not yet been solved, although several large vacant lots are already being used, with tarpaulins to protect the cotton. Completion of these deliveries by October together with present stocks, will provide supplies sufficient for almost a year for many of the largest manufacturers. Brokers expect very little purchasing by Canadian spinners before the end of 1942, except for small quantities of specialty cotton.

Prices are of little significance in the Canadian market with buying almost at a standstill. Without the aid of the United States export program, the cost of American cotton to Canadian spinners is increased by about 7 cents per pound, and prices of such Brazilian cotton

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as is available are about 3 cents less than comparable grades of American. Canadian ceilings on cotton goods do not justify paying current prices for raw cotton, and some adjustment is expected when buying is resumed in volume. To avoid raising the ceilings or subsidizing raw cotton imports, it has been proposed that the Government purchase the raw cotton needed for military goods, leaving the cotton bought at the lower levels to be used for civilian goods.

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COTTON CROP IN SYRIA AND LEBANON SLIGHTLY LARGER . . .

The 1942 cotton crop in Syria and Lebanon is estimated unofficially at about 37,000 bales (of 478 pounds) compared with 23,100 for 1941. The 1942 acreage was previously estimated at 124,000 acres against 95,000 for 1940. Government efforts to increase cotton production have been most effective in the Aleppo and Alaouite districts.

Cotton exports amounted to only 578 bales in 1941, of which 488 were destined for Switzerland. Exports in recent years have averaged around 3,000 bales annually. No stock or domestic-consumption figures are available, but it is reported that the cotton weaving industry is largely dependent on imported yarns. About 200 looms in Aleppo alone are idle for lack of yarn supplies. About 1,000,000 pairs of hosiery are manufactured annually in Syria.

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KAPOK TREES GROW IN MEXICO . . .

Kapok, a fiber used for life-preservers, pillow stuffing, and similar uses, formerly obtained from the Netherlands Indies, is found in Mexico. There are no production statistics available, although a small amount of a few tons is consumed in Mexico City. The trees are scattered, and the cost of collecting the pods, which contain the fibers, from the trees would probably be high. It is felt that if the price were attractive and an organization were promoting kapok, a larger area could be harvested.

Kapok is gathered from three species of trees, none of which are said to be cultivated. A period of from 5 to 7 years is needed before the trees produce, and it is stated that some trees remain in production up to about 45 years of age. The picking season occurs from November to March or April. One species produces 60 to 200 pods per year, and only 3 pounds of fiber and 6 pounds of seed are obtained from 100 of the pods of this species.

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LIVESTOCK AND ANIMAL PRODUCTS

DANISH CATTLE NUMBERS DECREASE - HOG DECLINE CHECKED . . .

Latest reports indicate further decreases in cattle and horses in Denmark but an apparent check in the decline in hog numbers. Danish cattle numbers in rural communities were officially estimated at 2,831,000 head as of March 1942, according to detailed information received in the Office of Foreign Agricultural Relations. This represents a decrease of 5 percent as compared with figures for March 1941. Comparable estimates are not available for 1939, but in July of that year there were 3,271,000 head of cattle in Denmark. Cows and heifers, which have calved, numbered 1,393,000 in March 1942, a decrease of 6 percent below 1941, whereas young calves numbered 678,000, a decrease of 16 percent below 1941. There was an increase in young heifers of 12 percent to reach 630,000 head.

The number of horses on the same date was estimated at 544,000 head, which was approximately the same as in 1941, but 6 percent below the number on hand in July 1939. The abnormal fodder situation in the spring and at the beginning of this summer caused extraordinary losses of calves and colts, as indicated by the number of claims for compensation received by insurance companies. Colts are needed to replace horses that have been sold, and calves to take the place of cows slaughtered under the difficult fodder situation. The death rate among colts and calves in the Holback district was estimated at 40 to 50 percent of the number of births.

By July 1942, hog numbers had reached 1,600,000 by natural increase and were only 10 percent below the number of hand in July 1941, but still 49 percent smaller than in 1939. Numbers increased materially between March and July this year, whereas last year there was a decline in this period. The number of sows increased between March and July from 21,000 to 111,500, according to reports, but were still a little over 30 percent smaller than in July 1941. Hog numbers in March of 1942 numbered only 1,250,000 head and were 33 percent below the March estimate for 1940 and 59 percent smaller than the relatively large number reported in March 1939.

Farmers have been advised to increase the area of potato fields and have been told that if the present production of pork is to be maintained, it can be done only by using potatoes as additional fodder. It is seldom that grain supplies have been so small. Cooked potatoes are recommended as the best type of fodder for pigs. Germany has offered to sell Denmark a number of portable potato cookers to be delivered in the early fall of 1942. The present slaughter of hogs for domestic consumption is short 5,000 head weekly, as only 10,000 are being killed instead of the 15,000 previously. The minimum slaughter weight is to be increased to 176 pounds, beginning in October, instead of 132 pounds.

WAR CAUSES SHIFT IN
TALLOW AND FAT EXPORTS 1/. . .

Normally, the United States imports little tallow or other animal fats. Exports from the chief producing countries of the Southern Hemisphere have been mainly to the United Kingdom, continental Europe, and other Latin American countries. Since the beginning of the war, however, large quantities have been shipped to the United States. This report deals with tallow and hard fats produced from cattle, sheep, and hogs, exclusive of lard.

The five countries, Argentina, Brazil, Uruguay, Australia, and New Zealand, produced about 600 million pounds of tallow and animal fats in 1939 and exported 312 million pounds. It seems probable that production since then has increased. Tallow and fat production and consumption figures are not available annually for some of the important producing countries of the Southern Hemisphere. It is evident, however, from the statistics available that, roughly, about half of domestic production is consumed locally, the remainder being exported. Argentina produces by far the largest quantity of tallow and animal fats, with Australia next in importance, then Brazil and New Zealand.

SOUTHERN HEMISPHERE: Production of tallow and fats, edible and inedible, 1934-1942 a/

Year	Argentina b/	Brazil c/	Australia d/	New Zealand e/
	Million pounds	Million pounds	Million pounds	Million pounds
1934	-	-	149	62
1935	-	-	105	62
1936	-	79	128	65
1937	166	99	116	70
1938	-	74	123	70
1939	230	81	159	76
1940	-	86	-	-
1941	-	-	-	90
1942	-	f/ 76	-	-

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations.
a/ Exclusive of edible hog fat and lard.
b/ Industrial census of production in meat freezing and canning plants.
c/ Production from cattle killed under Federal inspection.
d/ Apparent production, year beginning July 1.
e/ Year beginning July 1. Production in meat freezing and canning factories and in boiling-down plants.
f/ Preliminary unofficial estimate. Estimate for total production in 1942 is 110 million pounds.

1/ By Esther H. Johnson, assistant agricultural economist.

ARGENTINA: Quantity of tallow and animal fats produced in freezing and canned-meat plants, 1939

Designation	Freezing establishments	Canned-meat plants	Total a/
TALLOW	1,000 pounds	1,000 pounds	1,000 pounds
Beef (edible)	46,189	2,238	48,427
Beef (inedible)	72,511	2,589	75,100
Other fats and tallows(inedible)	2,057	-	2,057
Total	120,757	4,827	125,584
FATS			
Natural, frozen	1,539	-	1,539
Beef (oleo stock)	52,024	-	52,024
Beef fat (rendered)	41,413	5,067	46,480
Mutton (oleo stock)	379	-	379
Mutton fat (rendered)	4,253	-	4,253
Total	99,608	5,067	104,675
Total tallow and fats	220,265	9,894	230,259

Estadistica Industrial de 1939(published 1942).
a/ Exclusive of edible hog fat rendered, which totaled 16,938,000 pounds.

Argentina also ranks first as an exporting country, while Australia and New Zealand vie for second place. Brazil exports a relatively small proportion of production. Exports from Uruguay exceed those of Brazil in some years, although livestock numbers in Uruguay are much smaller. In 1935 exports of tallow and fats from South American countries were larger than at any other time during the 8 years, 1934 to 1941. That year was one of large importation by the United States.

SOUTHERN HEMISPHERE: Exports of beef, mutton, and hog tallow and fats from principal countries, 1934 to date a/

Year	Argentina	Brazil	Uruguay	Australia b/ c/	New Zealand b/	Total five countries
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1934	135,850	18,945	15,274	92,824	61,963	324,856
1935	140,552	52,006	38,187	50,567	56,620	337,932
1936	88,634	19,310	15,934	72,710	58,453	255,041
1937	143,403	20,135	11,873	60,667	58,106	294,184
1938	103,302	8,324	16,063	63,116	66,333	257,138
1939	142,835	5,816	8,324	90,242	65,267	312,484
1940	110,605	3,920	8,179	62,661	76,469	261,834
1941	167,251	1,316	b/ 1,722	-	88,095	-
Jan.-May.						
1941	69,496	-	-	-	d/ 5,589	-
1942	112,047	-	-	-	d/ 19,652	-

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations. a/ Includes besides tallow, fats shown in the following table. Excludes edible hog fat and lard. b/ Tallow alone. c/ Year beginning July 1. d/ 3 months only.

SOUTHERN HEMISPHERE: Exports of animal fats (exclusive of tallow and lard), 1934-1941 a/

Year	Argentina b/	Brazil	Urugray
	1,000 pounds	1,000 pounds	1,000 pounds
1934	-	-	5,281
1935	-	-	17,482
1936	-	871	5,806
1937	-	10,143	5,177
1938	50,312	3,170	7,923
1939	59,717	4,224	3,403
1940	55,256	161	3,733
1941	74,938	4	-

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations. a/ These animal fats are included in preceding table. b/ Includes natural frozen fat, oleo stock, rendered beef fat (edible and inedible), rendered mutton fat (edible and inedible), and rendered hog fat (inedible).

Tallow and other animal fats are of great commercial importance due to the varied industrial uses, and in the deficit countries the war has increased the interest in and competition for supplies from the chief exporting countries of the Southern Hemisphere, owing to the difficulty encountered in obtaining customary supplies of vegetable and marine oils. Edible tallow and fat are used principally in lard compounds and in butter and lard substitutes, and inedible chiefly in soap and other oils and greases.

Argentina produced 230 million pounds of tallow and animal fats exclusive of lard or edible hog fat in freezing and canning plants, according to the industrial census of 1939, and is the largest producer in South America. Tallow production, both edible and inedible, amounted to 126 million pounds, and other animal fats to 105 million pounds. Only 48 million pounds or 39 percent of the tallow production was edible beef tallow, whereas 75 million pounds or 60 percent was inedible beef tallow. Rendered beef fat and beef oleo stock (premier jus) combined represented 94 percent of the animal fats, exclusive of tallow. A very small proportion of total production consisted of mutton and inedible hog fats.

Argentine exports of all descriptions of tallow in 1941 reached 92,313,000 pounds, an increase of 67 percent above 1940, whereas exports of other animal fats, exclusive of edible hog fat, reached 74,938,000 pounds, an increase of 36 percent above 1940. Combined exports of tallow and fats increased 70 percent in the first 5 months of 1942 above the same period of 1941 and amounted to 112 million pounds.

ARGENTINA: Exports of beef, mutton, and hog tallow, by countries, 1938-1941

Description and country of destination	1938	1939	1940	1941
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Beef tallow (edible) -				
United States	-	-	-	6,418
Japan	-	-	-	1,025
Other non-European countries	40	79	448	926
United Kingdom	1,898	1,795	3,161	46
Belgium	1,290	2,663	608	-
Germany	1,124	4,171	-	1,854
Netherlands	1,777	4,539	3,316	-
Soviet Union	-	-	-	882
Sweden	108	1,528	439	888
Switzerland	-	198	352	763
Other European countries	1,592	2,335	1,400	1,462
Total	7,829	17,308	9,724	14,264
Beef tallow (inedible) -				
United States	143	346	408	22,035
Chile	2,350	4,627	11,182	8,466
Columbia	498	2,026	1,881	2,445
Cuba	139	123	-	8,666
Other Latin American countries	121	348	1,534	4,314
Japan	-	-	-	6,312
Other non-European countries	150	809	589	3,571
United Kingdom	49	419	3,580	3,011
Finland	-	465	88	2,866
France	11	-	4,650	2
Germany	27,167	23,232	-	571
Italy	6,129	4,766	2,500	-
Netherlands	836	4,261	1,224	-
Soviet Union	-	-	-	992
Spain	194	1,151	3,582	6,521
Sweden	179	4,610	3,086	2,297
Switzerland	-	3,743	2,562	1,581
Other European countries	4,973	12,637	7,486	3,511
Total	42,939	63,563	44,352	77,161
Mutton tallow (edible), total	480	227	42	13
Mutton tallow (inedible), total	311	827	838	798
Hog tallow (inedible), total	1,431	1,160	375	55
Tallow, unmanufactured, total	-	33	18	22
Total tallow	52,990	83,118	55,349	92,313

Compiled from official sources.

Argentine shipments of edible beef tallow in 1941 amounted to 14 million pounds, 6 million of which were to the United States. Japan obtained a million pounds and Germany 2 million. Formerly, the bulk of these exports were to the Netherlands, Germany, and Belgium. A little over one-third of the total inedible beef tallow exported, which amounted to 77 million pounds in 1941, was to the United States. A reduction of the United States import duty and excise taxes by 50 percent was granted in the Argentine trade agreement of 1941. Substantial shipments were made to other non-European countries, especially Chile, Cuba, and Japan. Spain received the largest shipment of any European country. Exports to Germany, formerly the most important single market for Argentine inedible tallow, were reduced to only 571,000 pounds against 23,000,000 pounds in 1939 and 27,000,000 in 1938. Exports of mutton and hog tallow from Argentina were small. The United Kingdom continued to be the most important market for other beef fats and oleo stock in 1941, and exports to that country increased materially above 1940, there being a corresponding decrease in exports to other European countries.

ARGENTINA: Exports of rendered beef, mutton, and hog fats (excluding lard and tallow), 1938-1941

Description and country of destination	1938	1939	1940	1941
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Natural frozen fat -				
United Kingdom	1,109	192	1,828	518
Other countries	1,354	1,250	601	4
Total	2,463	1,442	2,429	522
Beef - premier jus (oleo stock) -				
Non-European countries -				
United States	-	-	99	1,466
Others	-	-	97	454
European countries -				
United Kingdom	14,619	22,844	26,391	49,290
Others	10,185	15,893	8,777	5,239
Total	24,804	38,737	35,364	56,449
Rendered beef fat (edible) -				
Non European countries, total	198	300	126	1,140
European countries -				
United Kingdom	14,123	9,769	10,421	15,778
Others	7,370	7,870	5,648	240
Total	21,691	17,939	16,195	17,158
Rendered beef fat (inedible), total	31	42	26	13
Rendered mutton fat (edible), total	807	710	223	117
Rendered hog fat (inedible), total	516	847	1,019	679
Total beef, mutton, and hog fats, excluding lard and tallow	50,312	59,717	55,256	74,938

Compiled from official sources.

Exports of rendered edible hog fat, not included in the total of tallow and fats, amounted to 17,998,000 pounds in 1941 and exceeded those of 1940 by 367 percent. The principal destinations in 1941 were Bolivia and other South American countries and the United Kingdom.

The exportation of edible animal fats, compounds of the same, stearine, and vegetable oils called "shortening" from Argentina were exempted in July 1942 from the stipulations of Decree No. 120,640 of May 27, 1942, which required export permits for tallow and animal fats. These important fats were made subject to license at that time owing to the increased export demand and the necessity of conserving supplies for domestic requirements, especially soap making.

Production of tallow from slaughter under Federal inspection in Brazil is estimated at 76 million pounds in 1942 against 86 million in 1940 and 99 million pounds in 1937. Total commercial production is estimated at 110 million pounds for 1942. In addition, Brazil imports from Argentina and Uruguay and exports to other South American neighbors.

Exports of Brazilian tallow and fats are small in comparison with those of Argentina and in 1941 totaled only 1,316,000 pounds, a decrease of 66.5 percent compared with 1940. Exports were mostly to Europe. The United Kingdom and Germany took the larger share of exports in 1938, and Germany took a larger quantity than any other country in 1941, or 584,000 pounds. Portugal and Finland took most of the remainder exported in 1941.

BRAZIL: Exports of common tallow, by principal countries of destination, 1938-1941

Country of destination	1938	1939	1940	1941
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	2,615	306	869	-
Italy	119	322	212	-
Finland	463	298	514	216
Sweden	110	269	-	-
Netherlands	-	-	547	-
Germany	1,030	344	-	584
Spain	-	-	811	-
Portugal	-	-	-	494
Uruguay	64	24	-	-
Peru	33	18	-	-
Others	720	11	806	13
Total	5,154	1,592	3,759	1,307

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations.

Uruguayan exports of tallow and fats during the past 8 years were largest in 1935, when they totaled 38 million pounds. In 1941, tallow exports from Urugray totaled only 2 million pounds. Exports have declined progressively from 8 million pounds in 1938. In 1935, however, they reached 21 million pounds, one-third of which went to the United States, and the remaining two-thirds to continental Europe.

Australia and New Zealand together produce about as much tallow as Argentina and export about the same quantity. Australia's tallow production reached 159 million pounds in 1939-40, the largest quantity produced in the 10-year period, 1930-31 to 1939-40. Production fluctuated considerably in Australia, and fell as low as 105 million pounds in 1935-36. Local consumption has been increasing steadily since 1935-36 and in 1939-40 reached 68 million pounds. Most of the quantity consumed is used in soap factories. Exports in 1935-36 reached the high level of 93 million pounds but have been much lower since, with the exception of 1939-40, when they increased to 90 million pounds from 63 million in 1938-39. There was a decrease in 1940-41 to 63 million pounds again.

AUSTRALIA: Exports of tallow (unrefined), by countries, 1937-38 to 1940-41

Country of Destination	1937-38	1938-39	1939-40	1940-41
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Non-European countries -				
United States	1,683	1,063	-	-
Canada	7,534	6,321	-	-
India and Ceylon	10,218	10,792	-	-
Union of South Africa	119	357	-	-
China	4,049	4,803	-	-
Japan	3,935	882	-	-
Netherlands Indies	2,119	1,208	-	-
European countries -				
United Kingdom	20,003	18,851	-	-
Belgium	1,042	1,725	-	-
Netherlands	1,036	752	-	-
Germany	1,182	4,106	-	-
Italy	832	1,061	-	-
Others - British	1,640	2,627	-	-
- Other	5,273	8,595	-	-
Total	60,665	63,143	a/ 90,242	a/ 62,661

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations.
a/ Not available by country of destination.

Tallow production in New Zealand in meat freezing and canning factories increased from 62 million pounds in 1935-36 to 76 million in 1939-40. An estimate places production and carry-over in 1941-42 at 90 million pounds. Domestic consumption is expected to absorb about 20 percent of production. Around 11 million pounds are used in soap making, the remainder being edible tallow.

Exports in 1941 totaled 88 million pounds compared with 76 million in 1940 and 65 million in 1939. Estimates indicate that in the calendar year 1941 the United Kingdom took 34 to 45 million pounds and the United States about 20 million. There was no carry-over. In 1941-42, the United Kingdom agreed to take 22 million pounds of the exportable surplus, which is estimated at 67 million pounds.

New Zealand normally markets approximately 65 percent or more of its surplus production in the United Kingdom. India also takes a fairly large quantity of Australia's and New Zealand's tallow, i.e., around 20 million pounds annually, or roughly 15 percent of the combined exports. The United States normally imports little tallow from these sources.

NEW ZEALAND: Exports of tallow, by countries of destination, 1937-1941

Country of destination	1937	1938	1939	1940	1941
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Non-European -					
United States	1,075	394	1,268	-	-
Canada	1,835	2,106	1,243	-	-
India	8,344	9,536	10,786	-	-
China	777	202	56	-	-
Australia	605	822	60	-	-
Fiji	305	264	475	-	-
Japan	5,425	544	-	-	-
European -					
United Kingdom	37,784	49,591	44,220	-	-
Belgium	520	298	753	-	-
Germany	152	1,086	3,898	-	-
Netherlands	130	273	921	-	-
Others	1,154	1,217	1,588	-	-
Total	58,106	66,333	65,268	a/ 76,469	a/ 88,095

Compiled from official sources and reports received in the Office of Foreign Agricultural Relations.
a/ Not available by country of destination.

URUGUAYAN SHEEPSKIN EXPORTS INCREASED OVER LAST YEAR . . .

Exports of dry sheepskins from Montevideo, the principal Uruguayan seaport, increased nearly 30 percent during the period, August 1, 1941, to July 31, 1942, compared with the same period of 1940-41, and increased 223 percent when compared with the same period in 1939-40. Despite the war, exports during the past year were nearly at the same level as in 1938-39. Most of the pre-war exports of sheepskins went to continental Europe, but the position has since changed, with the United States absorbing 89 percent of total exports in 1941-42 as compared with 99 percent in 1940-41, 27 percent in 1939-40, and 0.1 percent in 1938-39.

URUGUAY: Exports of dry sheepskins from Montevideo, August 1, 1941, to July 31, 1942, with comparisons a/

Country of destination	August 1 - July 31			
	1938-39	1939-40	1940-41	1941-42
United States - Pieces.	2,100	99,400	917,400	1,067,400
Pounds.	10,500	497,000	4,587,000	5,337,000
Argentina - Pieces	-	-	1,000	5,800
Pounds	-	-	5,000	29,000
Brazil - Pieces	-	-	2,700	110,300
Pounds	-	-	13,500	551,500
Venezuela - Pieces	-	-	-	400
Pounds	-	-	-	2,000
United Kingdom - Pieces	2,700	17,100	5,200	6,300
Pounds	13,500	85,500	26,000	31,500
France - Pieces	1,248,200	178,800	-	-
Pounds	6,241,000	894,000	-	-
Netherlands - Pieces ..	5,000	-	-	-
Pounds ..	25,000	-	-	-
Sweden - Pieces	5,500	1,500	-	8,900
Pounds	27,500	7,500	-	44,500
Poland - Pieces	2,100	-	-	-
Pounds	10,500	-	-	-
Belgium - Pieces	12,800	-	-	-
Pounds	64,000	-	-	-
Germany - Pieces	85,500	-	-	-
Pounds	427,500	-	-	-
Italy - Pieces	116,800	74,700	-	-
Pounds	584,000	373,500	-	-
Total - Pieces	1,480,700	371,500	926,300	1,199,100
Pounds	7,403,500	1,857,500	4,631,500	5,995,500

From commercial sources received in the Office of Foreign Agricultural Relations. a/ The original data were given in numbers of bales and were converted by using the following: 100 skins per bale equaled 500 pounds.

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G E N E R A L A N D M I S C E L L A N E O U S

FOREIGN EXCHANGE . . .

EXCHANGE RATES: Average value in New York of specified currencies, August 22, 1942, with comparisons a/

Country	Monetary unit	Year 1941	Month				Week ended		
			1940	1941	1942		1942		
			July	July	June	July	Aug. 8	Aug. 15	Aug. 22
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina b/	Paper Peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia c/	Pound	321.27	303.11	321.31	321.50	321.50	321.50	321.50	321.50
Brazil d/	Milreis	5.07	5.03	5.06	5.14	5.14	5.15	5.15	5.14
British India	Rupee	30.14	30.15	30.13	30.12	30.12	30.12	30.12	30.12
Canada c/	Dollar	87.32	86.92	88.27	89.96	89.94	89.91	89.64	89.45
Mexico e/	Peso	20.54	19.91	20.54	20.57	20.57	20.57	20.57	20.57
New Zealand	Pound	322.54	304.32	322.57	322.78	322.78	322.78	322.78	322.78
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom c/	Pound	403.18	380.47	403.23	403.50	403.50	403.50	403.50	403.50

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g., dairy products) to certain countries (e.g., United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Official rates: Australia 322.80 cents; Canada 90.91 cents; United Kingdom 403.50 cents. Most transactions between these countries and the United States must take place at the official buying and selling rates.

d/ Free. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.37 cents in 1941, 5.42 cents in July, 1942, and 5.42 cents in the week ended August 22, 1942. Quotations nominal.

e/ Quotations nominal for 1940 and 1941.

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